

## Message Text

LIMITED OFFICIAL USE

PAGE 01 SANTO 03252 062133Z

73

ACTION H-02

INFO OCT-01 ARA-06 ISO-00 EB-07 /016 W

----- 029675

R 062100Z JUL 76

FM AMEMBASSY SANTO DOMINGO

TO SECSTATE WASHDC 7522

LIMITED OFFICIAL USE SANTO DOMINGO 3252

E.O. 11652: N/A

TAGS: ACMM, BENC, DR

SUBJECT: CONGRESSIONAL INQUIRY ON FOREIGN GOVERNMENT TENDER

REF: SANTO DOMINGO 2154

CODEL STENNIS

1. AMBASSADOR HAS RECEIVED FOLLOWING MESSAGE FROM SENATOR  
STENNIS ON WESTERN UNION TELEGRAM FORM BUT TRANSMITTED IN  
ENVELOPE OF SENATOR STENNIS' FRANKING.

QUOTE

JUNE 21, 1976

HONORABLE ROBERT A. HURWITCH  
UNITED STATES AMBASSADOR TO THE DOMINICAN REPUBLIC  
SANTO DOMINGO, DOMINICAN REPUBLIC

PRICE BROTHERS COMPANY OF HATTIESBURG, MISSISSIPPI, HAS  
FILED ITS BID FOR DOMINICAN REPUBLIC WATER LINE PROJECT TO BE  
FUNDED BY INTERNATIONAL (SIC) DEVELOPMENT BANK WITH COMPANY  
FURNISHING APPROXIMATELY SIX MILLION DOLLARS QUANTITY OF PIPE. AM  
ADVISED PRICE COMPANY APPARENTLY LOW BIDDER BUT ANOTHER COMPANY  
NOT LOW BIDDER AND NOT LOCAL PRODUCER SEEKING TO QUALIFY UNDER  
SPECIAL LOCAL LAW GRANTING CONCESSION TO LOCAL PRODUCERS. URGE  
YOUR INTERVENTION TO MAKE CERTAIN PRICE BROTHERS IS FAIRLY AND  
EQUITABLY TREATED ACCORDING TO PROVISIONS OF LOCAL LAW.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SANTO 03252 062133Z

PLEASE ADVISE. REGARDS, JOHN C. STENNIS, UNITED STATES SENATOR.

UNQUOTE

2. TENDER IN QUESTION, REPORTED BY REFTEL, IS FOR PRE-STRESSED CONCRETE PIPE FOR WATER SYSTEM OF SANTO DOMINGO. BIDDING WAS AS FOLLOWS: PRICE BROTHERS--\$6,187,736; GIFFORD HILL AMERICAN-- \$6,472,183.36; HIDRAULICA DEL CARIBE (ASSOCIATED WITH US FIRM LOCK JOINT PIPE)--\$6,640,583.28.

3. ALTHOUGH HIDRAULICA DEL CARIBE WAS THE HIGHEST BIDDER OF THE THREE, IT IS ASKING FOR THE CONTRACT UNDER A DOMINICAN INDUSTRIAL INCENTIVE LAW WHICH ALLOWS LOCAL FIRMS A 15 PERCENT ADVANTAGE ON LOCALLY-PRODUCED PRODUCTS.

4. WHEN EMBASSY COMMERCIAL ATTACHE RAISED MATTER WITH THE DIRECTOR OF THE STATE-OWNED WATER COMPANY, THE LATTER SAID PRICE BROTHERS WAS STILL IN THE RUNNING FOR THE CONTRACT, AND WAS FAVORED BY SOME ELEMENTS. THE COMMITTEE REVIEWING THE BIDS, HOWEVER, IS STILL STUDYING ALL PROPOSALS WHICH WILL LATER BE SUBMITTED ON A RANKED LIST TO THE IDB FOR APPROVAL.

5. ALL THREE BIDDERS ARE US FIRMS (ALTHOUGH ONE IS IN A JOINT VENTURE WITH A DOMINICAN FIRM), AND FROM WHAT THE EMBASSY HAS BEEN ABLE TO DETERMINE, ALL THREE SEEM TO BE TREATED EQUITABLY IN ACCORDANCE WITH DOMINICAN LAW AND IDB REGULATIONS.

6. ACTION REQUESTED: DEPARTMENT REQUESTED TO TRANSMIT FOREGOING, IF HAS NO OBJECTION, TO SENATOR STENNIS.

HURWITCH

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 06 JUL 1976  
**Decapton Date:** 01 JAN 1960  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** KelleyW0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976SANTO03252  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760260-0930  
**From:** SANTO DOMINGO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760787/aaaacyzg.tel  
**Line Count:** 90  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION H  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 SANTO DOMINGO 2154  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** KelleyW0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 23 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <23 JUL 2004 by izenbei0>; APPROVED <21 OCT 2004 by KelleyW0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CONGRESSIONAL INQUIRY ON FOREIGN GOVERNMENT TENDER  
**TAGS:** ACMM, BENC, DR  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006